



# ***Town of Nantucket***

## ***2015 Annual Town Meeting***

### ***The Voter's Guide to Warrant Articles***

## INTRODUCTION

***Greetings, Nantucket Voter!***  
***And welcome to the 2015 Annual Town Meeting.***

Warrant articles are written to conform to the language of various Laws and Codes and are crafted to accomplish intended purposes. The language is necessarily technical and does not always allow them to be easily understood. This Guide provides an easy-to-understand overview of the warrant articles; it explains the objective(s) of an article and how the article would realize those objectives.

The Guide takes no position on any article. It is meant for informational purposes only and is not legally binding. There will likely be Technical Amendments to Motions that arise after the warrant goes to print. Those amendments are not covered in this Guide. They will be addressed as one of the first orders of business at the beginning of Town Meeting.

Also not covered are citizen-sponsored articles. Citizen sponsors are expected to represent their own articles and sponsors often make information handouts available at the handout table out in the lobby. The articles that are discussed in this guide have been written by Town Boards and Committees.

Voters vote on the MOTION to an article. See the Town Moderator's *Traditions and Procedures for Annual Town Meeting* booklet (available at the handout table) for details on voting, amendments and other procedures.

In case you wondered.....How are motions and recommendations developed for Town Meeting warrant articles?

-- In the fall, the warrant for annual town meetings "opens" to citizen petitions -- usually mid-October to mid-November. During this "open" period, citizens are encouraged to meet with Town Counsel about a potential article. Multiple sessions are scheduled to help citizens craft their language to accomplish their intended purpose. Nantucket is one of the Commonwealth's few towns to offer its citizens this service.

-- In December, the Finance Committee (a 9-member group appointed by the Board of Selectmen) begins its comprehensive review of all warrant articles. From December through mid-March the Committee meets 2-3 times weekly starting at 4:00 pm. Meetings are open to the public and you are encouraged to attend.

-- In October, the Capital Program Committee (CapComm) begins its review of all General Fund and Enterprise Fund capital project requests. (CapComm is a 7-member group comprised of at-large citizens appointed by the Board of Selectmen, plus representatives from the Finance Committee, Nantucket Planning & Economic Development Commission and Board of Selectmen.) CapComm typically meets once a week through December. Every department submitting request(s) attends at least one meeting, and often several.

-- Several other groups expend considerable effort reviewing and preparing financial and other articles for Town Meeting: the Planning Board, the Community Preservation Committee, the Health & Human Services Contract Review Committee, the School Committee, the Airport Commission and the Board of Selectmen.

-- Except for zoning articles, each article on the warrant has a Finance Committee Motion. Zoning articles have Planning Board Motions. There also may be Comments to various articles by the Planning Board, Finance Committee or Board of Selectmen. This Guide does not address their Comments.

On to the Guide....

### *Article 1 – Receipt of Reports*

Article 1 is in the warrant for reference and follows the state law (Chapter 40, s. 49) that the Board of Selectmen provide an Annual Town Report, which contains the reports of specific (and other) agencies and departments of the Town. The Annual Town Report is typically published just before the Annual Town Meeting and covers the activities of the Town departments for the prior Fiscal Year. A copy of the Fiscal Year 2014 Annual Town Report is on the handout table.

**The Finance Committee’s Motion is positive.**

### *Article 2 – Appropriation: Unpaid Bills*

With few exceptions, Massachusetts municipalities are not legally allowed to pay bills from prior fiscal years in the current fiscal year without the approval of Town Meeting. “Unpaid bills” are generally bills which arrived after the close of a fiscal year, were inadvertently not paid or received, or were not able to be paid in the fiscal year within which they were incurred for budgetary or other reasons.

**The Finance Committee’s Motion is positive. The funding source is Free Cash (defined in the Glossary herein) for the General Fund bills and Retained Earnings (see Glossary) for the Enterprise Fund bills.**

### *Article 3 – Appropriation: Prior Year Articles*

From time to time, previously approved capital projects have been completed with funding left over or the project is not going forward. In these cases, Town Meeting can reappropriate any remaining funds to other eligible projects. If the original funding was borrowed, left-over funds may only be re-appropriated for specific projects that are similar to the type of project for which the original borrowing was incurred. If the original funding was not borrowed, the funding may be re-appropriated to any other project or funding source (for example, Free Cash or Stabilization Fund).

**The Finance Committee’s Motion is to re-appropriate funds as follows:**

- funds from three prior-year completed projects for Wannacomet Water to a fund called “System Improvements”;
- funds from one prior-year completed project for Our Island Home to a current medical records project;
- funds from two prior-year completed projects for the Airport to the Air Traffic Control Tower project.

**Additionally, the Motion seeks to expand the scope of a prior-year project that is not complete.**

#### *Article 4 – Revolving Accounts/Annual Authorization*

A revolving account is one into which funds generated by a particular activity may be placed and used to pay for items related to that activity outside of the General Fund. For example, the Town's Beach Improvement Revolving Account receives proceeds from the sale of beach stickers for driving on the beach. Those proceeds are then used for such expenses as: purchasing beach stickers, printing the beach map, beach signage and fencing, police beach patrols, and ATV (All Terrain Vehicle) expenses.

Town Meeting votes to set an annual Spending Limit on each revolving account. That limit (in the aggregate for all revolving accounts) cannot exceed 10% of the fiscal year tax levy. For this year (FY 2016) that limit is \$6,632,995. The total recommending spending limit is \$6,198,774.

**The Finance Committee's Motion is positive and sets forth the Spending Limit for each account for the coming Fiscal Year.**

#### *Article 5 – Appropriation: Reserve Fund*

The Town, under Massachusetts General Law, can make appropriations by a vote of Town Meeting to a Reserve Fund – available by law for “extraordinary or unforeseen expenditures” that may arise during the year. Money available in the Reserve Fund may be accessed only through a vote of the Finance Committee and any such appropriation cannot exceed 5% of the fiscal year tax levy (which for FY 2016 is \$3,316,498). The FY 2015 Reserve Fund appropriation is \$500,000. The tax rate will not increase as a result of this article.

**The Finance Committee's Motion is to appropriate \$500,000 for the FY 2016 Reserve Fund.**

#### *Article 6 – Fiscal Year 2016 General Fund Budget Transfers*

Transfers of funds between different departments and within a specific department's budget, including between the salary and other expense categories, requires a vote of Town Meeting. Toward the end of a fiscal year, such transfers afford the Town flexibility to adjust (or “true up”) funds that were appropriated to remaining departmental needs as the Fiscal Year draws to a close. This Article is meant to “true up” department budgets, using already appropriated funds so that there is no impact on the taxpayer.

**The Finance Committee's Motion is positive and utilizes existing funding already appropriated at the 2014 Annual Town Meeting.**

*Article 7 – Personnel Compensation Plans for Fiscal Year 2016*

This Article seeks approval of the compensation schedules for positions outside of collective bargaining units, or without employment contracts or otherwise not covered by the Town's personnel policies. The Article primarily lays out employee compensation schedules for *per diem*, seasonal and temporary employees, as well as elected officials. The schedule has changed somewhat from FY 2015 to FY 2016, and the changes are shown by highlighted text and strike-out formatting. Funding for the positions listed is contained within various departmental budgets.

**The Finance Committee's Motion is positive.**

*Article 8 – Appropriation: Fiscal Year 2016 General Fund Operating Budget*

Article 8 simply asks the Town Meeting to approve a General Fund operating budget for various town departments and agencies. The proposed expenditures are detailed in the Finance Committee's Motion. The FY 2016 General Fund operating budget, which is balanced and lives within the projected revenues of the Town, is proposed to increase by 6% over FY 2015. The tax rate is not expected to increase as a result of this budget.

**The Finance Committee's Motion is positive.**

*Article 9 – Appropriation: Health and Human Services*

Each year, the Town of Nantucket executes grant agreements with non-profit agencies to provide various health and human services to island residents. The Town has accorded importance to this appropriation and provided it for over 20 years. This appropriation provides needed services without expansion of Town departments and personnel in fields that are not considered municipal services.

There is a specific process in place for agencies to seek an allocation of the available funding. A rigorous review process, managed by the Town's Human Services Contract Review Committee, evaluates agencies' requests for an allocation of funding each year. The Committee's annual recommendations are reviewed and endorsed by the Board of Selectmen before the Finance Committee's consideration. Following Town Meeting approval, grant agreements are executed with each agency. The agreements contain reporting and other oversight provisions meant to ensure proper use of the funds. The tax rate is not expected to increase as a result of this article.

**The Finance Committee's Motion is positive and the recommended total amount is approximately \$30,000 higher than the \$317,880 voted at the 2014 Annual Town Meeting.**

*Article 10 – Appropriation: General Fund Capital Expenditures*

Capital expenditures are “big-ticket” items meant to last. The Town Code (Chapter 11, section 12.2 A and B) defines them as:

“A. A capital expenditure is a non-recurring expenditure for land, buildings and/or building improvements having a useful life equaling or exceeding 10 years, or an expenditure for municipal infrastructure and equipment having a useful life equaling or exceeding five years.”

“B. Furthermore, capital expenditures must have aggregate direct and indirect costs, even if expended in multiple fiscal years, equaling or exceeding a dollar amount to be hereafter set forth by the Capital Program Committee. Any change in the dollar amount must have a two-thirds majority vote by the Committee. Furthermore, \$50,000 is to be established as the initial amount until otherwise set forth in accordance with this article.”

The Town's annual capital project review process begins in August. Proposed projects are reviewed by: Town Administration, Board of Selectmen, Capital Program Committee and Finance Committee. Capital projects are generally funded by: 1) the General Fund, 2) the reappropriation of funds (see comment above to Article 3), 3) Free Cash or 4) Borrowing. Borrowing requires a two-thirds vote of Town Meeting (and subsequent approval by the voters at an election, if a debt or capital exclusion). The tax rate is not expected to increase as a result of these General Fund capital projects.

**The Finance Committee's Motion lists the proposed projects and funding sources. In summary, funding sources for \$9,092,000 worth of capital projects would be as follows:**

<b>\$2,725,669</b>	<b>Free Cash</b>
<b>\$350,000</b>	<b>Waterways Improvement Fund</b>
<b>\$690,000</b>	<b>FY 16 Tax Levy and Other General Revenues</b>
<b>\$120,000</b>	<b>Hummock Pond Road Bicycle Path Gift Account</b>
<b>\$1,000,000</b>	<b>To be Borrowed</b>
<b>\$3,953,000</b>	<b>Proceeds from Sale of Real Estate</b>
<b><u>\$253,331</u></b>	<b><u>Prior Year Articles</u></b>
<b>\$9,092,000</b>	

**Because there are funds to be borrowed, the quantum of vote required is two-thirds.**

***Article 11 – Appropriation: Fire Station***

This Article seeks authorization to appropriate \$15,000,000 by raising the tax rate through a debt exclusion (to be voted on at the April 14, 2015, Annual Town Election) to construct a new fire station next to the police station at 4 Fairgrounds Road, as originally planned several years ago. There is a handout describing the project at the handout table in the High School lobby.

**The Finance Committee Motion is positive. The tax rate is expected to increase as a result of this project, however not until FY 2019. Assuming a conservative borrowing rate of 5.5% for 20 years, a property with assessed value of \$1,000,000 would have an increase in its tax bill of approximately \$60.00 in that first year.**

***Article 12 – Appropriation: School***

This Article seeks authorization to appropriate \$46,200,000 by raising the tax rate through a debt exclusion (to be voted on at the April 14, 2015, Annual Town Election) to construct new and/or additions to school buildings as well as cover potential land acquisition costs. There is a handout describing the project at the handout table in the lobby.

**The Finance Committee Motion is positive. The tax rate is expected to increase as a result of this project, however not until FY 2019. Assuming a conservative borrowing rate of 5.5% for 20 years, a property with assessed value of \$1,000,000 would have an increase in its tax bill of approximately \$170.00 in that first year.**

***Article 13 – Appropriation: Enterprise Funds Operations***

Enterprise Funds under law are intended to fund their own operations through user fees and other self-generated revenue. Occasionally, Enterprise Funds are subsidized by the General Fund when Enterprise Fund revenue does not entirely cover the Enterprise operations. The Town of Nantucket has 6 Enterprise Funds:

Nantucket Memorial Airport\*\*

Our Island Home\*

Sewer

Solid Waste\*

Water, Siasconset

Water, Wannacommet

\*Requires a General Fund subsidy and has since inception



\*\* Required a General Fund subsidy in FY 2012, 13, 14 but did not require a subsidy in FY 2015 and is not expected to require one in FY 2016

**The Finance Committee's Motion is positive and lists the proposed General Fund subsidy(s) for each Fund where applicable.**

*Article 14 – Appropriation: Enterprise Funds Capital Expenditures*

Proposed Enterprise Fund capital projects follow the same review process as General Fund capital projects. Such capital projects may be funded by the Retained Earnings of the Enterprise Fund, or, more typically, through a borrowing (requiring a two-thirds vote of Town Meeting). Any such debt is repaid over time from the Enterprise Fund's operating budget. If the debt service for a particular project is beyond what the Enterprise Fund can reasonably generate, the Town will seek approval of the voters for a debt exclusion at an election. In certain circumstances, the Town may use free cash to fund the capital expense.

The tax rate is not expected to increase as a result of these projects.

Because of recent financial issues with the Airport, the Airport Commission provided the following chart and narrative of the Airport capital projects:

Many of Nantucket Memorial Airport's ("ACK") capital projects are eligible for partial reimbursement by the Federal Aviation Administration ("FAA") and/or the Mass. DOT Aeronautics Division ("State"). The schedule below shows the ACK capital projects for which approval is being sought for FY 2016 and the possible reimbursement attached to each one, resulting in the net share payable by ACK (shown in the two right-hand columns).

PROJECT	Total Project Cost	FAA Share	State Share	ACK Share \$	ACK Share %
Supplemental Funding for A12 of the 2014 ATM - Ramp Rehabilitation (Note 1)	\$1,025,000	\$922,500	\$51,250	\$51,250	5.0%
Supplemental Funding for A13 of the 2008 ATM – Air Traffic Control Tower	\$928,025	\$795,000	\$0	\$133,025	14.3%
Snow Plow/Blower (Note 1)	\$917,000	\$825,300	\$45,850	\$45,850	5.0%
Passenger Stair Ramp (Note 2)	\$85,000	\$0	\$0	\$85,000	100%
New Utility Vehicle (Note 2)	\$65,000	\$0	\$0	\$65,000	100%
Ground Service Equipment Garage Design	\$60,000	\$0	\$0	\$60,000	100%
Overhaul of 1988 Loader	\$60,000	\$0	\$0	\$60,000	100%

Fuel Truck Regeneration Pad <i>(Note 2)</i>	\$50,000	\$0	\$0	\$50,000	100%
Fixed based Operations Site Relocation/Rehab	\$55,000	\$0	\$0	\$55,000	100%
Painting/Repair of Fuel Tank Farm Pipes <i>(Note 2)</i>	\$100,000	\$0	\$0	\$100,000	100%
New Lectro Aircraft Tug	\$125,000	\$0	\$0	\$125,000	100%
Environmental Impact Report <i>(Note 1)</i>	\$300,000	\$270,000	\$15,000	\$15,000	5.0%
<b>TOTAL CAPITAL PROJECT COSTS</b>	<b>\$3,770,025</b>			<b>\$845,125</b>	<b>22.4%</b>

Note 1 – Project construction or purchase acquisition will not commence until FAA/State reimbursement commitment is received.

Note 2 – Applications have been filed for State reimbursement up to 80% but there is no guarantee of any commitment. Purchases will be made with or without reimbursement.

The total ACK share of capital project costs actually completed will be funded with long-term debt, the debt service on which will be paid by the Airport Enterprise Fund budget.

**The Finance Committee's Motion lists the proposed projects and funding sources.**

#### *Article 15 – Enterprise Fund Budget Transfers*

This article is similar to Article 6 (General Fund Budget Transfers): transfers of funds between salaries and expenses, or additional funding from another source, requires a vote of Town Meeting.

**The Finance Committee's Motion is positive.**

#### *Article 16 – Appropriation: Waterways Improvement Fund*

The Town of Nantucket is entitled to establish a Waterways Improvement Fund, into which we may deposit income derived from mooring permit sales, rental of Town Pier slips, and the Town's share of boat excise tax. Appropriations out of the fund must be for waterways-related purposes and require a vote of Town Meeting. Annually, applicable projects and some personnel costs are budgeted from the Waterways Fund. For FY 2016, Article 16 would authorize the Town to spend money on the regular annual items.

**The Finance Committee's Motion is positive to appropriate \$128,000 from the fund for FY 2016 (the Waterways Improvement Fund is also a funding source for one item in the Motion to Article 10).**

*Article 17 – Authorization: Airport Aviation Fuel Revolving Fund for Fiscal Year 2016*

As noted for Article 4, Massachusetts General Law permits the establishment of Revolving Funds for the purchases of goods and services and the deposit of revenues outside of a normal operating budget. By special legislation, the Town of Nantucket is permitted to create a revolving fund for the purchase and sale of aviation fuel. That fund affords the Airport Commission flexibility in the face of volatile fuel prices. Town Meeting can establish a spending limit on the aviation fuel revolving fund. That limit, when added to the Town's other revolving funds, shall not exceed 10% of the tax levy. Any revenue received in the revolving fund in excess of the established spending limit can, with Town Meeting authorization, be turned over to the Airport Enterprise Fund for its operating budget.

**The Finance Committee's Motion is positive and establishes an Airport Aviation Fuel Revolving Fund for FY 2016 of \$5,300,000 (a decrease of \$82,650 from FY 2015).**

*Article 18 – Appropriation: Airport Carbon-Neutral Program Energy Management Services*

The Airport is evaluating the environmental and economic implications for a contemplated solar photovoltaic facility situated off of Bunker Road. There are several ownership and financing models for such a facility: self-owned and self-financed, third-party financed and leased, and third-party financed with a power purchase agreement. Each model has complex implications for how energy is bought, sold and credited to owners and buyers. This article would allow the Airport Commission, with the approval of the Finance Committee and Board of Selectmen, to identify, evaluate and execute the appropriate ownership and financing terms for such a facility, if they determine a facility to be in the Airport's best interests.

**The Finance Committee's Motion is positive.**

*Article 19 – Appropriation: Ambulance Reserve Fund*

Receipts from the Town's ambulance service are deposited into this fund, and expenditures made from this fund support the ambulance service. That support includes supplies, equipment and personnel costs for up to 4 full-time firefighter/EMT positions, and the periodic replacement of ambulances.

**The Finance Committee's Motion is positive and appropriates \$390,560 from the Fund for FY 16 for expenses associated with the Town's ambulance service.**

### *Article 20 – Appropriation: County Assessment*

The County Assessment is an amount “charged” by the County to its one (and only) town for County services. The scope of these services is comparatively limited. The assessment covers a portion of expenses for the Registry of Deeds and for legal services, professional services and other expenses associated with County Administration items. This Article would not increase the tax rate.

**The Finance Committee’s Motion is positive and appropriates \$170,201 for the FY 2016 County Assessment.**

### *Article 21 – Appropriation/Finalizing FY 2016 County Budget*

Article 21 is included in the warrant in the unlikely event that the Finance Committee acting as the County Review Committee were to vote a denial of all or part of the proposed County budget. (That has never happened since the enactment of the County Charter.) Were it to happen, the County Commissioners could seek such denial to be overturned by Town Meeting.

**The Finance Committee’s Motion is to take no action, since the County budget of \$170,201 was approved by the County Review Committee as presented.**

### *Article 22 – Rescind Unused Borrowing Authority*

From time to time, unused borrowing authority is cancelled (rescinded) if a project is not going to proceed or has been completed, leaving all or a portion of the authorized amount unborrowed. Good fiscal practice dictates rescinding amounts that are not going to be used, thereby keeping borrowing authority current.

**The Finance Committee’s Motion is to rescind the unused borrowing authority for an Airport project which has been completed and the full authorized amount is not needed.**

### *Article 23 – Appropriation/Ferry Embarkation Fee*

The Town’s share of the 50 cents surcharge on ferry tickets typically amounts to \$150,000 - \$200,000 annually and requires annual appropriation by Town Meeting to be used. The Town has appropriated these funds for seasonal law enforcement purposes through the Police Department budget.

**The Finance Committee’s Motion is to appropriate \$190,117 for the above purposes for FY 2016.**

### *Article 24 – Appropriation/Other Post-Employment Benefits Trust Fund*

The most common type of post-employment benefits is a pension. “Other Post-Employment Benefits” (or “OPEB”) include health insurance and dental, vision, prescription or other healthcare benefits provided to eligible retirees, and, possibly, their beneficiaries; and certain types of life insurance. The Town is required to fund just the current costs for OPEB benefits as part of the operating budget, but actuarial studies suggest that these costs will rise significantly in future years. The appropriation under Article 24 is intended to anticipate these future costs by setting aside money in a trust fund for meeting future OPEB obligations.

Funding the trust fund now is a prudent financial practice and will serve to improve the Town’s credit rating. This will be the third year the Town seeks to make this appropriation (having appropriated \$250,000 in 2013 and \$500,000 last year). The tax rate is not expected to increase as a result of this Article.

**The Finance Committee’s Motion is to appropriate \$500,000 from the FY 2016 tax levy.**

### *Article 25 – Authorization to Borrow for Easy Street Bulkhead Renovation*

During FY 2015, the Town applied for and was awarded a grant/loan from the Commonwealth to renovate the Easy Street bulkhead, contingent upon Town Meeting approval to borrow the loan funds. A sheet steel bulkhead will be installed in front of the existing wooden bulkhead, which is in poor condition, to alleviate flooding of numerous commercial and residential properties behind (west of) of the bulkhead and to protect the sidewalk from the bulkhead to Easy Street. An additional 2 feet of bulkhead elevation would reduce the storm tide and wave wash-over that occurs during major storms. The engineering, permitting and design costs will be funded by a grant of \$153,600 to the Town; estimated construction costs of \$1,188,709 will be a through a 2% loan over a period of 20 years. The tax rate is not expected to increase as a result of this Article.

**The Finance Committee’s Motion is positive.**

### *Articles 26 – 32/Collective Bargaining Agreements*

Massachusetts General Law requires that funding for the first year of a collective bargaining agreement be approved by Town Meeting. The Town and the unions listed in each article have all reached agreements for new contracts. The tax rate will not increase as a result of any of these Articles.

**The Finance Committee’s Motion for each of the Articles is to transfer funds from**

**existing appropriations to fund the first year of each contract.**

*Article 33 – Amendment to FY 2015 Community Preservation Funds  
Appropriation*

This article seeks Town Meeting approval to reduce the funding source described in Article 30 of the 2014 Annual Town Meeting as “State Matching Funds”, by \$360,286. Because the State Matching Funds for FY 2015 did not reach that amount, the funding source for the aforementioned amount (\$360,286) will be amended to be the CPA Undesignated Fund Balance.

**The Finance Committee’s Motion is positive.**

*Articles 34-35 – Community Preservation Committee*

While these articles are citizen-sponsored, the purposes described are Town functions. Community Preservation funds are received through a 3% surcharge on the tax bills of Nantucket property owners, as well as a state funded “match.” The funds gathered may be spent only on projects in the statutory categories of: Open Space and Recreation, Historic Preservation, and Affordable Housing. The Community Preservation Committee’s recommendations for FY 2016 budget transfers are contained in Article 34 and FY 2016 expenditures in Article 35.

**The Finance Committee’s Motion is positive.**

*Article 36 – Community Preservation Act Appropriation: Sachem’s Path*

This article is also citizen-sponsored and utilizes the same funding source referenced in Article 35. However it is a request to borrow funds for the affordable housing project known as Sachem’s Path. The funds are to be paid back through Community Preservation Funds. No increase to the tax rate is expected.

**The Finance Committee’s Motion is positive.**

*Articles 37 – 41 are citizen articles and not explained here, as noted in the Introduction to this Guide.*

*Article 42 – Zoning Bylaw Amendment/Home Rule Petition: Coastal Erosion Liability Waiver*

This is a Selectmen-sponsored Article that is intended to assure that shorefront property owners, or any property owner who has a lot within 300 feet of a shorefront property, and who seek to build on their property are adequately advised of the risks of coastal erosion

on their properties. Furthermore, it seeks to hold these owners financially accountable for any costs of damages that occur either to their own property or to neighbors' properties as a result of what they build. Without this "hold harmless" provision, all Town taxpayers could bear the future costs of such damages.

The Article references "Shorefront Land," which the Zoning Bylaw defines as: "A parcel or parcels of land, a portion of which is located within or abutting the mean high water line of the Atlantic Ocean, Nantucket Sound, Nantucket Harbor, Polpis Harbor, or Madaket Harbor." The Article would require that when any property that is "shorefront land" or within 300 feet of "Shorefront Land" needs a building permit from the Town, the property owner must sign an agreement (a "release") confirming that the property owner is 1) aware that property is within 300 feet of Shorefront Land and can be subject to extraordinary hazards including damage from waves, storms, erosion, etc.; 2) assumes full and sole risk from all hazards; 3) will not sue the Town and will "indemnify" the Town against any third-party claims for damages caused by these hazards or for impacts on public access to the property for which the permit is granted.

**The Article has a negative motion from the Planning Board; however, it has a positive Comment from the Finance Committee.**

*Articles 43 – 70 are zoning articles. A Planning Board report meant to cover explanation of these articles is contained within the Town Meeting warrant along with a Glossary of Terms related to zoning articles.*

*Articles 71-72 - Bylaw Amendments: Siasconset Sewer District Map Changes; Town Sewer District Map Changes*

There are two sewer districts on Nantucket: the Town Sewer District and the Siasconset Sewer District. The Town seeks sewer district map changes such as those in Articles 71 and 72 to include property parcels that should be included in one or the other Sewer District. The objective here is to provide appropriate wastewater service to parcels within a larger Water Protection District or Watershed Protection Overlay District. Such parcels may have inadvertently been left out of these water/watershed districts at the time they were established. Proposals are reviewed by an internal administrative review group comprised of the DPW Director, Director of Planning and the Health Officer. The group reviews the proposals in accordance with criteria established for determining if a property should be included in a district.

The Board of Selectmen (acting in its capacity as Sewer Commissioners) voted to endorse inclusion of the parcels listed in the Motions into the Siasconset and Town Sewer Districts. A majority vote at Town Meeting is required.

**The Finance Committee's Motions are positive on both articles.**

*Articles 73 – 75 are citizen-sponsored Sewer District articles and are not included in this Guide.*

Note, however, that the internal administrative review group mentioned above evaluated the requests in these 3 articles. The requests in Articles 73 and 74 are for parcels already included within the Town's Articles, which the Selectmen have endorsed and therefore needed no action. Article 75 was reviewed by the administrative group again (this same request was made last year) but again fell short of the required number of criteria points to be recommended for inclusion into the Sewer District.

**The Finance Committee's Motions are to take no action on Articles 73 and 74; and a negative Motion on Article 75.**

*Article 76 – Bylaw Amendment: Poles and Wires*

The Town has always had a presence on certain utility poles that occupy the public right-of-way for fire alarm and other municipal cables (municipal space). As the telecommunication industry has expanded, the right of the Town to occupy the municipal space on these utility poles has been challenged. State law allows the Town to adopt bylaws to regulate utility poles that occupy public spaces. This amendment to the existing bylaw is intended to preserve the Town's right to occupy this municipal space as it has historically always done.

**The Finance Committee's Motion is positive.**

*Article 77 – Bylaw Amendment: Peace and Good Order*

This article contains minor amendments to reflect current practice to the public entertainment permitting process.

**The Finance Committee's Motion is positive.**

*Article 78 – Bylaw Amendment: Peace and Good Order*

This article is meant to clarify the amplification parameters for Street Performers. A recent Federal Appeals Court decision has called into question the right of a municipality to regulate sound from amplified musical instruments. The Court has stated that an



outright ban on musical amplification may be unconstitutional. The current Town bylaw on Street Performers does include an outright ban, similar to what was restricted by the Court's decision. The proposed language is intended to correct the bylaw to make it compliant with current constitutional law.

**The Finance Committee's Motion is positive.**

*Article 79 – Bylaw Amendment: Wharves and Waterways*

The Town has an existing bylaw which regulates municipal piers, moorings and other marine operations. What started out initially in 1983 as a simple bylaw has evolved into a complicated regulatory ordinance. In order to address the technical and conflicting sections of the bylaw, the Board of Selectmen adopted regulations (Chapter 250) which address the regulation of the municipal wharves and piers. The language proposed in this article is intended to make the regulations consistent and not in conflict with the outdated bylaw. All of the language of the existing bylaw has been incorporated into the new Chapter 250 regulations.

**The Finance Committee's Motion is positive.**

*Article 80 is a citizen-sponsored article and not included in this Guide.*

*Article 81 – Acceptance of Massachusetts General Law Pertaining to Capital Projects Stabilization Fund*

The Capital Projects Stabilization Fund is very similar in purpose to the Stabilization Fund described in Article 110, but its focus is on funding significant capital projects. This is the first year we are proposing the establishment of such a fund in light of the significant capital needs that the Town faces in the near future.

**The Finance Committee's Motion is to appropriate \$1,000,000 from Free Cash and establish a Capital Projects Stabilization Fund in FY2016.**

*Articles 82 and 83 are citizen-sponsored articles and not included in this Guide.*

*The next several articles are Home Rule Petitions. A few words about Home Rule Petitions:*

*Massachusetts cities and towns are subject to the General Laws of the Commonwealth. From time to time, a city or town requires special legislation (via a "Home Rule Petition") in order to address a need or issue unique to that municipality. This may be either an exemption to the law or an addition to it. Such a request for special legislation must be approved by Town Meeting and enacted by the State Legislature. Thousands of Home Rule Petitions are*

*submitted annually from cities and towns across the state, and years may pass before they get enacted. Some of the Home Rule Petitions below have been approved repeatedly by Town Meeting, in the hope that the Legislature eventually will enact them.*

#### ***Article 84 – Home Rule Petition: Airport Fuel Revolving Fund***

Because of the volume of fuel sales and purchases in that Fund, the Town has bumped up against the legal requirement with its other revolving funds, which altogether may not exceed 10% of the tax levy, or \$6,632,995. The Town is seeking an exemption from the “10% rule” that is mentioned in Article 4, for this one revolving fund.

**The Finance Committee’s Motion is positive.**

#### ***Article 85 – Home Rule Petition: Community Preservation Committee***

This Article restores compliance with State law on the part of the Town’s Community Preservation Committee (CPC). The State Community Preservation Act prescribes the membership of local Community Preservation Committees (which are responsible for making recommendations on the allocation of the Community Preservation funds – see Articles 29 and 30). The Act requires one member to be from the local historical commission. When the Town’s CPC was initially appointed in 2003, though, the Nantucket Historical Commission (an advisory group appointed by the Board of Selectmen) had not yet been established; however, the Historic District Commission (an elected commission) did exist. A decision was made that an HDC representative would “fit the bill” and the local CPC bylaw was written to include an HDC representative on the CPC. Technically this is not what State law allows. Accordingly, the Article would restore compliance with State law by allowing for the local bylaw to be amended to include an HDC representative on the CPC.

**The Finance Committee’s Motion is positive. The Board of Selectmen has a negative Comment.**

#### ***Article 86 – Home Rule Petition: Increasing Residential Property Exemption***

Article 86 will give the Board of Selectmen the *option* of increasing the residential exemption from its current maximum of 20% of the average residential value to 30%. Passage of this article does not automatically increase the exemption, as the amount must be voted annually at the Tax Classification Public Hearing. Were the Selectmen to exercise that option, the effect on the year-round homeowner could be a slight reduction in property tax.

**The Finance Committee’s Motion is positive.**

*Article 87 – Home Rule Petition: Conveyance of Property from County to Town*  
Conveyances of County land and changes of custodianship of open space land require legislative approval. Here, approval is sought to convey ownership and control of the remaining County land to the Town pursuant to long-standing policy. The parcels contained in the Motion would be conveyed from the County to the Town for general municipal and public access purposes.

**The Finance Committee's Motion is positive.**

*Article 88 – Home Rule Petition: Real Estate Conveyances to Nantucket Islands Land Bank and Madaket Conservation Land Trust*

As with Article 87, change of the custodianship of open space land requires legislative approval. Approval is being sought to convey the ownership and control of 9 protected open space properties to the Land Bank and 1 protected parcel to the MCLT. The properties can be joined with other Land Bank or MCLT properties for better management and maintenance. A companion article (#101) authorizes the Board of Selectmen to effect the actual transfers.

**The Finance Committee's Motion is positive.**

*Article 89 – Real Estate Disposition/Home Rule Petition: Transfer of 47 Prospect Street and 1 Milestone Road.*

This is a two-part article: the home rule petition part is needed to allow for the change in use of a portion of Town-owned park land (47 Prospect Street) for general municipal purposes, subject to a restriction that the property would be used for healthcare purposes. The real estate disposition part would authorize the Board of Selectmen to transfer (convey or lease) a portion of the same property. The article itself contains a reference to property at 1 Milestone Road, however that reference has been removed in the Motion. This Article would allow a portion of the property, were it needed for the new hospital project, to be conveyed in some manner to Nantucket Cottage Hospital.

**The Finance Committee's Motion is positive.**

*Article 90 – Zoning Map Change: R-40 to CN*

The Board of Selectmen sponsored this article to change the zoning map to accommodate a new hospital, if any portion of the 47 Prospect Street property is needed. It is specific to a portion of the 47 Prospect Street property.

**The Planning Board has made a negative motion to the article; the Finance Committee has made a positive comment.**

*Articles 91 – 94 are citizen-sponsored articles and not included in this Guide.*

*The next several articles are Real Estate-related. A few words about real estate articles: The articles are all permissive, which means that the Board of Selectmen is authorized to take action but is not required to do so. Approval of any of the articles (including any of the citizen articles) does not mean that the action will happen. Approval merely means that the Board may take action.*

### *Articles 95–97 - Real Estate Related to Portions of Baxter Road*

Town Meeting approval is required for Town property to be conveyed (sold, transferred) to other parties, as well as for acquisitions by eminent domain. The combination of these Articles, which are permissive, seek to authorize the Board of Selectmen to acquire and also to convey to abutters certain parcels of Town-owned property for residential or access purposes. These articles are prompted by the possibility that the Town may need to allow for alternative access for properties using Baxter Road in the event of a road failure due to Sconset Bluff erosion. They also allow for the retention of easements and restrictions, such as for utilities and pedestrian/beach access.

**The Finance Committee's Motion is positive on each Article.**

### *Article 98 – Real Estate Conveyance: Industrial Land*

This article authorizes the Board of Selectmen to sell Town-owned land located at Shadbush Road for specific purposes. Previously, a 2013 ATM warrant article authorized the Board to lease this property. The intent behind the article is to authorize the Board to sell the property for the purposes of relocating the downtown fuel tank farm to this location.

**The Finance Committee's Motion is positive.**

### *Article 99 – Real Estate Disposition: Long-term Lease Authorization for Town-owned portions of 16 Vincent Circle and Ticcoma Way fka 2 Fairgrounds Road*

This Board of Selectmen-sponsored article authorizes the Board to convey or lease the Town-owned parcels listed for housing purposes. The intent behind the article is to use these properties for various types of housing: municipal seasonal, municipal year-round (possibly), community year-round, community affordable. The Board is seeking the

authorization so it can move forward with a specific plan, to be developed after Town Meeting through a process open to the public.

**The Finance Committee's Motion is positive.**

*Article 100 – Long-term Lease Authorization: Airport Road Parcel*

The Town Code requires that leases exceeding five years in duration be approved by Town Meeting. The Airport Commission seeks authorization for this long-term lease because it exceeds that five-year limit. The existing lease on the parcel located at 10 Airport Road is expiring, and the Airport intends to advertise the parcel for use as a gas station. A long-term lease would enable a prospective tenant to amortize their expenses over a long period.

**The Finance Committee's Motion is positive.**

*Article 101 – Real Estate Conveyance: Miscellaneous Land*

As identified, some of the parcels listed are companions to those in Article 88, and are all protected open space land. The parcel at 17 Clarendon Street is buildable and intended for affordable housing, and the remaining parcels are small, unbuildable lots that are intended for sale to abutters or dedication to open space.

**The Finance Committee's Motion is positive.**

*Articles 102 – Real Estate Acquisition: “Paper” Streets at the Airport; Cliff; Eel Point, Madaket, Monomoy, Siasconset, Surfside and Town Areas; Parcels at 24 Berkley Street in Tom Nevers; Beach at Surfside; and 103 - Real Estate Conveyance: “Paper” Streets in Cliff, Eel Point, Madaket, Monomoy, Siasconset, Surfside and Town Areas; Parcel at Beach at Surfside*

These two Articles are intended to “clean up” small parcels of land that are essentially unclaimed and not currently taxed, to return the land set aside for unneeded streets to abutters or retain the described parcels/paper streets for public use. Those parcels/paper streets referenced in Article 102 and not in 103 are to be retained by the Town or have an earlier vote for final disposition.

**The Finance Committee's Motion is positive on both Articles.**

*Article 104 – Public Ways: Coffin, Fayette, Meader and Francis Streets*

Recent research revealed that these 4 streets have never actually been properly laid out and accepted as public ways! The Article will allow the process to be completed.

**The Finance Committee's Motion is positive.**

*Articles 105 - 106 are citizen-sponsored articles and not included in this Guide.*

*Article 107 – Real Estate Conveyance: “Paper” Streets at Airport*

This “clean-up” Article proposes to transfer land of discontinued portions of Hinsdale Road and Old South Road that are within the Airport boundary to the Airport’s jurisdiction.

**The Finance Committee's Motion is positive.**

*Articles 108 - 109 are citizen-sponsored articles and not included in this Guide.*

*Article 110 – Appropriation: Stabilization Fund*

The Stabilization Fund (aka the “Rainy Day Fund”) is what municipalities typically rely on to fund extraordinary items (e.g., large legal settlements) so as to “stabilize” the budget in an emergency, or to fund significant future capital projects. Currently, Town policy requires that the balance in the Stabilization Fund must equal at least 5% of revenue (which the Town now achieves). The Town is not seeking an appropriation into or from the Fund for FY 2016.

**The Finance Committee's Motion is to take no action.**

*Article 111 – Appropriation: Free Cash*

The Town’s certified free cash for use in FY 2015 and 2016 is \$5,201,357. In light of the severe damages sustained by the Town Pier this winter, the Finance Committee approved transferring \$1,200,000 from Free Cash to fund repairs to the Town Pier. Also, the Article proposes to use approximately \$3,938,000 (see Articles 2, 8, 10, 81) to fund items in both fiscal years. The remainder is currently left undesignated and would be part of the Free Cash calculation following the end of FY 2015.

**The Finance Committee's Motion is to take no action.**

## Glossary of Terms

**Appropriation:** Approval by Town Meeting to spend money for specific purposes defined by a warrant article.

**Budget:** The Town's annual plan of financial operations that includes an estimate of proposed revenues and expenditures.

**Community Preservation Act:** A state law that provides for a 3% surcharge (that is partially matched by the Commonwealth) on tax bills to fund projects in the areas of affordable housing, open space and recreation, and historic preservation.

**Debt Exclusion:** A vote with both a two-thirds quantum at a town meeting, and an election with a simple majority vote, to exclude debt service payments for a particular project from the levy limit, which allows the Town to increase its total property tax levy above the limit set by Proposition 2 ½. The amount of the annual debt service payment is added to the levy limit for the life of the debt only.

**Debt Service:** Payment of interest and principal to holders of the Town's bonds and notes.

**Enterprise Funds:** A method that allows a community to account for funds used for a certain area of service through charges to those who use the service – in other words, the user pays. Sometimes, a particular service cannot support itself and requires a subsidy from the General Fund. Nantucket has six enterprise funds (Airport, Our Island Home, Solid Waste, Sewer, Wannacomet Water, Siasconset Water), two of which require a General Fund subsidy (Our Island Home, Solid Waste).

**Fiscal Year:** A 12-month period running from July 1 – June 30, commonly used in municipal government as the time period within which budget funds will be spent. Most of the monies appropriated at the 2015 Annual Town Meeting are for the Fiscal Year 2016, which starts on July 1, 2015, and ends June 30, 2016.

**Free Cash:** A dollar value, which must be certified by the state, which represents revenues that exceeded expectations and expenses that were below projections. Town Meeting approval is required in order to spend free cash. In Nantucket, free cash is generally used for one-time items such as capital projects, and not used to balance the budget.

**General Fund:** The major Town fund created with Town receipts and tax revenues from which most Town expenses are spent. The General Fund contains several categories defined in the budget, such as personnel costs.

**Levy:** The amount a community raises through the property tax. The levy can be any amount up to the levy limit, which is re-established every year in accordance with Proposition 2½ provisions.

**Override:** A majority vote by Town Meeting and an election to permanently increase the levy limit.

**Proposition 2½:** A law approved by Massachusetts voters in 1980. It sets a limit of 2½% on the year to year increase of real and personal property taxes that a community may levy on its taxpayers.

**Retained Earnings:** The Free Cash for an Enterprise Fund.

**Stabilization Fund:** A “rainy day” fund that is a special reserve account created primarily to provide for capital improvements and unforeseen circumstances. It requires a two-thirds vote of Town Meeting to take money from this fund and appropriate it for expenditure. Appropriation into the Fund may not exceed 10% of the prior year’s tax levy. The current balance in Nantucket’s Stabilization Fund exceeds the threshold recommended by the state.

**Warrant:** A list of the articles to be acted upon by Town Meeting. The language of an article frequently conforms to the style of the code into which it will be placed if passed, such as zoning.